

ORIGINAL
FILE**United States Telephone Association**900 19th Street, N.W., Suite 800
Washington, D.C. 20006-2105
(202) 835-3100

October 15, 1992

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Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: **Ex Parte Meeting**
CC Docket No. 92-135

Dear Ms. Searcy,

On October 15, 1992, representatives of the United States Telephone Association met with Mary Brown, Dan Grosh, Andrew Mulitz, and Chris Fentrup of the Common Carrier Bureau staff to present a quantification of the consumer benefits of USTA's proposal set forth in USTA's comments and reply comments in the above-referenced docket. In response to a Bureau question, USTA also presented the staff with a comparison of historical and prospective-calculated subscriber line charges. Handouts showing the consumer benefits and the SLC comparison were presented to the Bureau staff and are attached hereto.

The USTA representatives included James Lowell of Cincinnati Bell Telephone Company; Jeffrey Pursley and Charlie Cooper of Lincoln Telephone; Lawrence Keller, David Blessing, and Donald Parrish, consultants; and David Cohen and R.T. Gregg of USTA.

The original and a copy of this ex parte notice are being filed in the Office of the Secretary on October 15, and should be included in the public record.

Respectfully submitted,

A handwritten signature in cursive script that reads "Linda L. Kent".

Linda L. Kent
Associate General Counsel

Attachments

cc: Mary Brown
Andrew Mulitz
Dan Grosh
Chris Fentrup

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OFFICE OF THE SECRETARY

Participating Companies for the Rate/Revenue Model

Common Line

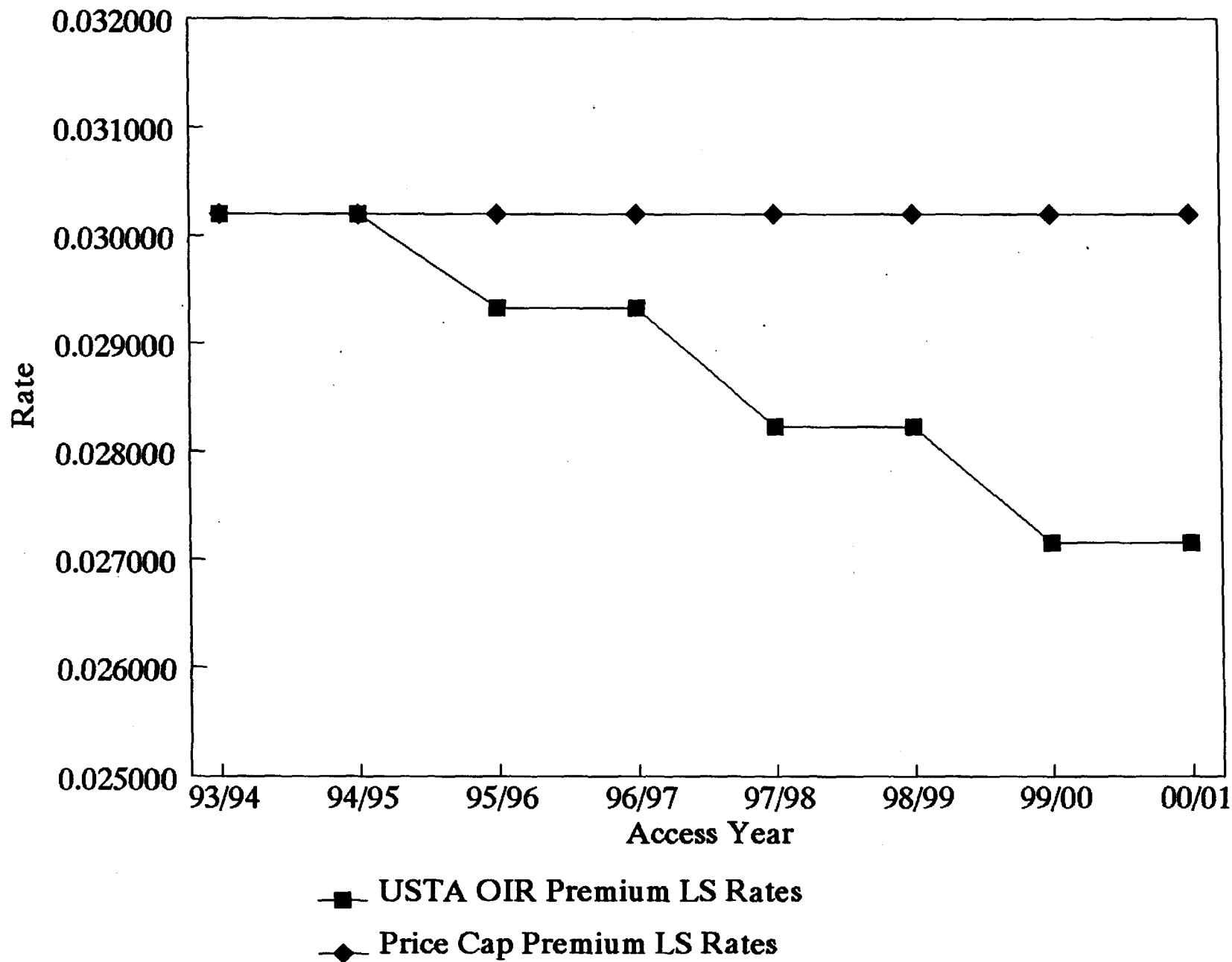
NECA
Centel – TX
Centel – NC
Centel – NV
Centel – FL
Centel – VA
Centel – IL
CBT – OH & KY
Lincoln

Traffic Sensitive

NECA
Centel – TX
Centel – NC
Centel – NV
Centel – FL
Centel – VA
Centel – IL
CBT – OH & KY
Lincoln
Roseville
Virgin Islands
Chillicothe
ALLTEL – IL
PTI – TUECA
Citizens Tel Co.
ICTC
Lufkin – Conroe

Rate Comparison: Price Cap Regulation and USTA OIR Proposal

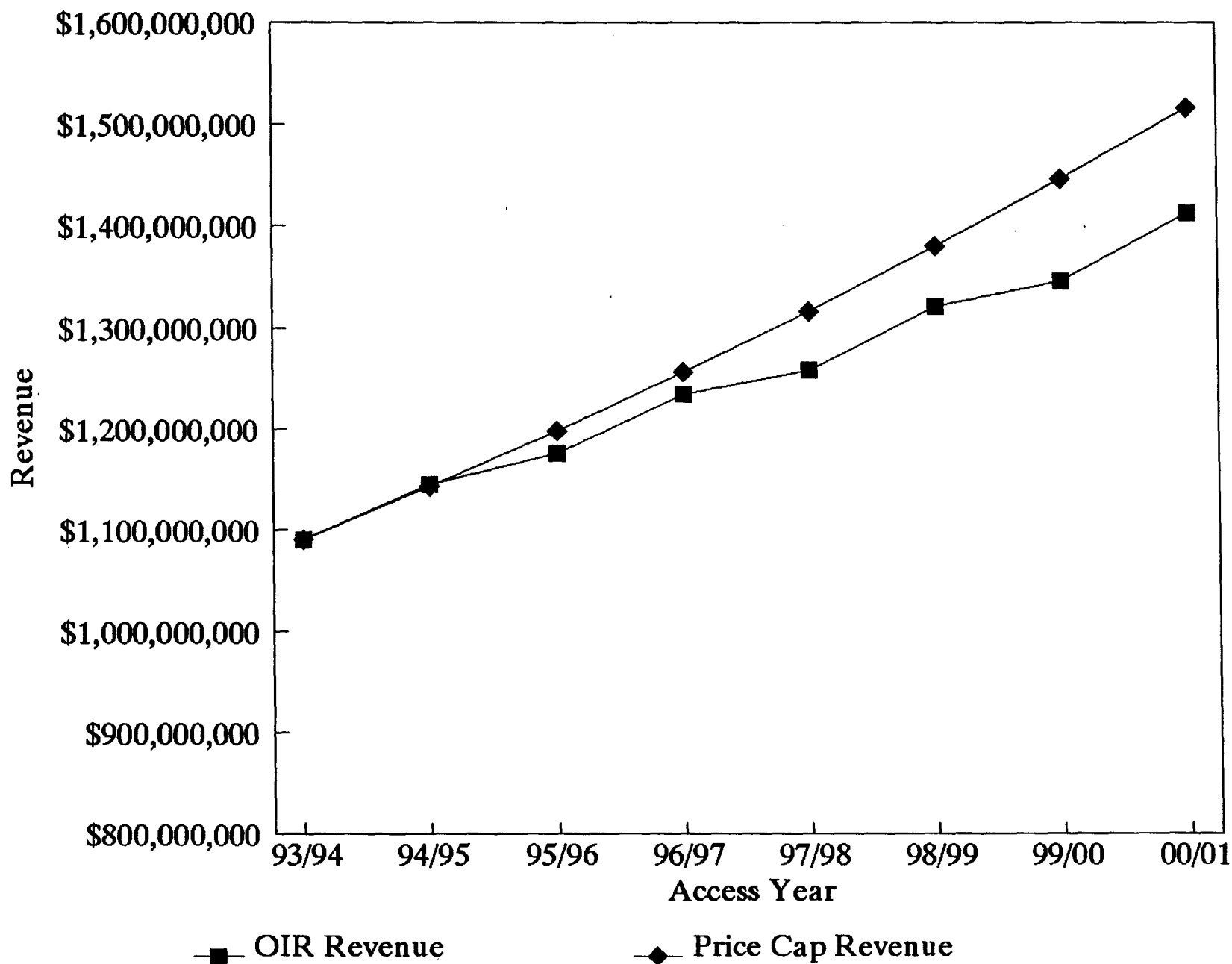
Assumptions: Access Minute Growth 5.00%
Operating Expense Growth 3.00%
GDP-PI 3.30%



Revenue Comparison: Price Cap Regulation and USTA OIR Proposal

Assumptions: Access Minute Growth 5.00%
Operating Expense Growth 3.00%
GDP-PI 3.30%

Cumulative Customer Benefit \$364,147,270



Prospective SLC Calculation

	90/91	91/92	92/93
Revenue Requirement -			
Lincoln	10,339,214	10,014,174	9,736,292
Cincinnati	35,385,248	39,515,824	40,370,140
TOTAL	45,724,462	49,529,998	50,106,432
Demand -			
Lincoln	220,286	222,654	227,359
Cincinnati	775,555	801,510	801,650
TOTAL	995,841	1,024,164	1,029,009
Rates-			
Lincoln	\$3.91	\$3.75	\$3.57
Cincinnati	\$3.80	\$4.11	\$4.20
TOTAL	\$3.83	\$4.03	\$4.06

Historical SLC Calculation

	1989	1990	1991
Revenue Requirement -			
Lincoln	10,095,671	10,034,136	9,554,534
Cincinnati	30,456,897	34,792,100	39,347,386
TOTAL	40,552,568	44,826,236	48,901,920
Demand -			
Lincoln	209,280	214,828	219,707
Cincinnati	753,640	775,440	790,594
TOTAL	962,920	990,268	1,010,301
Rates -			
Lincoln	\$4.02	\$3.89	\$3.62
Cincinnati	\$3.37	\$3.74	\$4.15
TOTAL	\$3.51	\$3.77	\$4.03
Revenue Impact	67,468	58,098	6,900